

AMENDED IN ASSEMBLY AUGUST 19, 2008

AMENDED IN ASSEMBLY AUGUST 31, 2007

SENATE BILL

No. 870

Introduced by Senator Ridley-Thomas
(Principal coauthor: Senator Ducheny)
(Principal coauthor: Assembly Member Galgiani)

February 23, 2007

~~An act to amend Section 19635 of the Government Code, relating to state employment.~~ *An act amend Sections 50086, 51050, and 51101 of the Health and Safety Code, relating to housing.*

LEGISLATIVE COUNSEL'S DIGEST

SB 870, as amended, Ridley-Thomas. ~~State employment: adverse actions.~~ *California Housing Finance Agency: resolutions, rules, and regulations.*

Existing law requires the California Housing Finance Agency to make financing opportunities available for the construction, rehabilitation, and purchase of housing for persons and families of low or moderate income by borrowing in the securities markets and relending to housing sponsors, developers, and homeowners and by insuring loans made by the agency or by others for these same purposes.

Existing law enumerates the powers of the agency, including the power to adopt, and from time to time amend and repeal, by action of the agency's governing board, resolutions, rules, and regulations, not inconsistent with existing law, to carry into effect the powers and purposes of the agency and the conduct of its business.

This bill would authorize the agency to act through resolution, except when expressly required under existing law to act through rule or

regulation, and would delete certain requirements that the agency adopt rules or regulations.

~~The California Civil Service Act authorizes an appointing power to take adverse action against an employee for specified causes for discipline and establishes administrative procedures for review of an adverse action by the State Personnel Board. The act requires an adverse action against a state employee to commence within 3 years of the cause for discipline, as specified.~~

~~This bill would require an adverse action against a managerial, supervisory, or confidential employee, as defined, to commence within one year of the cause for discipline.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 50086 of the Health and Safety Code is
2 amended to read:

3 50086. “Mortgage loan” means a loan that is secured by a
4 mortgage and is made for financing, including refinancing of
5 existing mortgage obligations ~~as authorized by regulation of the~~
6 ~~agency,~~ to create or preserve the long-term affordability of a
7 housing development or a residential structure in the state, or a
8 buy-down mortgage loan secured by a mortgage ~~as authorized by~~
9 ~~regulation of the agency,~~ of an owner-occupied unit in this state.

10 SEC. 2. Section 51050 of the Health and Safety Code is
11 amended to read:

12 51050. The agency shall have all of the following powers:

13 (a) To sue and be sued in its own name.

14 (b) To have an official seal and to alter the same at pleasure.

15 (c) To have perpetual succession.

16 (d) To maintain offices at any place or places within the state
17 which it may designate.

18 (e) To adopt, and from time to time amend and repeal, by action
19 of the board, *either resolutions, or rules, and or regulations,* not
20 inconsistent with this part, to carry into effect the powers and
21 purposes of the agency and the conduct of its business, *except*
22 *where this part expressly requires the agency to act by rule or*
23 *regulation. Rules and regulations of the agency If the agency acts*
24 *by rule or regulation, the rule or regulation shall be adopted,*

1 amended, repealed, and published in accordance with Chapter 3.5
2 (commencing with Section 11340) of Part 1 of Division 3 of Title
3 2 of the Government Code.

4 (f) Notwithstanding any other provision of law, to make and
5 execute contracts and all other instruments necessary or convenient
6 for the exercise of its powers and functions under this part with
7 any governmental agency, private corporation or other entity, or
8 individual, and to contract with any local public entity for
9 processing of any aspect of financing housing developments.
10 Contracts made or executed under the authority of this part shall
11 not be subject to any applicable provision of law requiring
12 competitive bidding or the supervision or approval of another
13 division or officer of state government.

14 (g) To acquire real or personal property, or any interest therein,
15 on either a temporary or long-term basis in its own name by gift,
16 purchase, transfer, foreclosure, a deed in lieu of foreclosure, lease,
17 option, or otherwise, including easements or other incorporeal
18 rights in property.

19 (h) To hold, sell, assign, lease, encumber, mortgage, or otherwise
20 dispose of any real or personal property or any interest therein; to
21 hold, sell, assign, or otherwise dispose of any mortgage interest
22 owned by it, under its control or custody, or in its possession; and,
23 as applicable, to do any of the acts specified in this subdivision by
24 public or private sale, with or without public bidding,
25 notwithstanding any other provision of law.

26 (i) To release or relinquish any right, title, claim, lien, interest,
27 easement, or demand however acquired, including any equity or
28 right of redemption in real property foreclosed by it or acquired
29 by it by a deed in lieu of foreclosure.

30 (j) To determine the terms and conditions of any mortgage
31 instrument, deed of trust, or promissory note used or executed in
32 conjunction with the financing of any housing development.

33 (k) To employ architects, engineers, attorneys, accountants,
34 housing construction and financial experts, and such other advisers,
35 consultants, and agents as may be necessary in its judgment and
36 to fix their compensation.

37 (l) To provide advice, technical information, and consultative
38 and technical service in connection with the financing of housing
39 developments pursuant to this part.

(m) Notwithstanding any other provision of law, to insure or reinsure against any loss in connection with its property and other assets, including mortgages and mortgage loans, in amounts, in the manner, and from those insurers as it deems desirable.

(n) To establish, revise from time to time, and charge and collect fees and charges in connection with loans made or insured by the agency.

(o) To borrow money and issue bonds, as provided in this part.

(p) To enter agreements and perform acts as are necessary to obtain and maintain federal housing subsidies for use in connection with housing developments.

(q) To provide bilingual staff and make available agency publications in a language, other than English, where necessary to effectively serve all groups for which those services or publications are made available.

(r) To require any individual, corporation, or other legal entity operating, managing, or providing maintenance services for a housing development or a residential structure to maintain a current certificate of qualification developed and approved by the agency.

(s) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this part.

SEC. 3. Section 51101 of the Health and Safety Code is amended to read:

51101. The agency ~~shall~~ *may* make and publish rules and regulations respecting the making of development loans, construction loans, property improvement loans, and mortgage loans pursuant to this part, the terms and conditions upon which such loans may be made to housing sponsors, the admission of tenants to a housing development, the inclusion of nonhousing facilities in housing developments, the construction of nonhousing facilities, and supervision of housing sponsors, including housing sponsors owning and occupying a housing development.

~~SECTION 1. Section 19635 of the Government Code is amended to read:~~

~~19635. (a) No adverse action shall be valid against any state employee for any cause for discipline based on any civil service law of this state, unless notice of the adverse action is served within three years after the cause for discipline, upon which the notice is based, first arose. Adverse action based on fraud, embezzlement, or the falsification of records shall be valid if notice of the adverse~~

1 action is served within three years after the discovery of the fraud,
2 embezzlement, or falsification.

3 ~~(b) Notwithstanding subdivision (a), no adverse action shall be~~
4 ~~valid against any managerial employee, supervisory employee, or~~
5 ~~confidential employee, as defined in subdivisions (c), (f), and (g)~~
6 ~~of Section 3513, for any cause for discipline based on any civil~~
7 ~~service law of this state, unless notice of the adverse action is~~
8 ~~served within one year after the cause for discipline, upon which~~
9 ~~the notice is based, first arose. Adverse action based on fraud,~~
10 ~~embezzlement, or the falsification of records shall be valid if notice~~
11 ~~of the adverse action is served within one year after the discovery~~
12 ~~of the fraud, embezzlement, or falsification.~~